



RECEIVED

JUN 29 2011

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD

June 28, 2011

Mr. Jack Messmore
Director of Insurance
Illinois Department of Insurance
320 West Washington Street
Springfield, Illinois 62767

Attention: Mr. John Gatlin
Supervisor, Property and Casualty Compliance Unit

Re: **Liberty Insurance Underwriters, Inc., FEIN 22-2227331, NAIC Number 111-1997**
Medical Malpractice Claims Made/Occurrence
Allied Health Program
Rule Filing
Proposed Effective Date: Upon Approval
Company Filing Number: LIURPGAHIL1101R

FILED

JUL 31 2011

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Mr. John Gatlin:

This filing is being made on behalf of Liberty Insurance Underwriters, Inc. ("LIUI" or "the Company") in response to a letter received from the Illinois Department of Insurance dated June 6, 2011. This letter informed the Company that the schedule rating plan associated with its Medical Professional Liability Insurance program did not comply with company bulletin CB 2011-05.

As a result, the Company is proposing changes to its schedule rating plan in order to address the concerns listed in this letter. Specifically, LIUI is proposing to reduce the max/min schedule rating debits/credits from +/- 50% to +/- 25%. These changes are made via the attached Illinois State Exception Pages.

The Company is requesting the earliest possible effective date for this filing.

Enclosed is authorization for Perr&Knight to submit this filing on behalf of the Company. All correspondence related to this filing should be directed to Perr&Knight. If there are any requests for additional information, we will forward the request immediately to the Company contact. The Company's response will be submitted to your attention as soon as we receive it.

Please do not hesitate to contact us with any comments or concerns.

Sincerely,

Laura Jennette

Laura Jennette
State Filings Analyst
Phone: 201.963.1550 x2123
Fax: 310.230.8529
E-mail: doi@perrknight.com

Enclosures

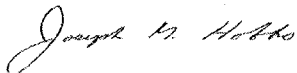
HO
MEM
RVL
Jen
Jeh

ILLINOIS CERTIFICATION FORM MEDICAL MALPRACTICE RATES


(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Joseph Hobbs, a duly authorized officer of Liberty Insurance Underwriters, Inc., am authorized to certify on behalf of the Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

I, Kyle M. Hales, ACAS, MAAA, a duly authorized actuary of Perr&Knight, Inc. am authorized to certify on behalf of Liberty Insurance Underwriters, Inc. making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws regulations and bulletins applicable to the policy rates that are the subject of this filing.



Signature and Title of Authorized Insurance Company Officer July 21, 2011
Date


_____, Principal & Consulting Actuary, ACAS, MAAA July 21, 2011
Signature, Title and Designation of Authorized Actuary Date

Insurance Company FEIN 13-4916020 Filing Number LIURPGAHIL1101R

Insurer's Address 55 Water Street; 18th Floor

City New York State NY Zip Code 10041

Contact Person's:

- Name and E-mail Laura Jennette, doi@perrknight.com

- Direct Telephone and Fax Number Phone: P: 201-963-1550 x2123 / F: 310-230-8529

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition: RECEIVED	
	d. Date of disposition of the filing:	
	e. Effective date of filing: JUN 20 2011	
	New Business	
	Renewal Business	
	f. State Filing #: STATE OF ILLINOIS	
g. SERFF Filing #: DEPARTMENT OF INSURANCE		
h. Subject Codes: SPRINGFIELD		

3. Group Name	Group NAIC #
N/A	N/A

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Liberty Insurance Underwriters, Inc.	IL	19917	22-2227331	

5. Company Tracking Number	LIURPGAHL1101R
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Laura Jennette c/o Perr&Knight 881 Alma Real Drive, Suite 205 Pacific Palisades, CA 90272	State Filings Analyst	(201) 963-1550 x2123	(310) 230-8529	doi@perrknight.com
7. Signature of authorized filer		<i>Laura Jennette</i>		
8. Please print name of authorized filer		Laura Jennette		

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	11.0 Med Mal-Claims Made and Occurrence
10. Sub-Type of Insurance (Sub-TOI)	11.0029 Other
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Allied Health Program
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input checked="" type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: <input type="checkbox"/> Upon Acknowledgment Renewal: <input type="checkbox"/> Upon Acknowledgment
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	N/A
17. Reference Organization # & Title	N/A
18. Company's Date of Filing	6/28/2011
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #	LIURPGAHL1101R
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21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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This filing is being made on behalf of Liberty Insurance Underwriters, Inc. ("LIUI" or "the Company") in response to a letter received from the Illinois Department of Insurance dated June 6, 2011. This letter informed the Company that the schedule rating plan associated with its Medical Professional Liability Insurance program did not comply with company bulletin CB 2011-05.

As a result, the Company is proposing changes to its schedule rating plan in order to address the concerns listed in this letter. Specifically, LIUI is proposing to reduce the max/min schedule rating debits/credits from +/- 50% to +/-25%. These changes are made via the attached Illinois State Exception Pages.

The Company is requesting the earliest possible effective date for this filing.

22. Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #:

N/A

Amount:

N/A

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	LIURPGAHIL1101R
2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	N/A

☐ Rate Increase
 ☐ Rate Decrease
 ☒ Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)		File & Use					
4a.	Rate Change by Company (As Proposed)							
	Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
	Liberty Insurance Underwriters, Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4b.	Rate Change by Company (As Accepted) For State Use Only							
	Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)			
		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)		
5b	Overall percentage rate impact for this filing		
5c	Effect of Rate Filing – Written premium change for this program		
5d	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	N/A - rules filing
7.	Effective Date of last rate revision	N/A - rules filing
8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	N/A - rules filing

9	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01	LIUI-AH-IL-GEN-1 and LIUI-AH-IL-GEN-2 (Edition: 06/2011)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	



Illinois Department of Insurance

PAT QUINN
Governor

MICHAEL T. McRAITH
Director

June 6, 2011

Joseph Hobbs
Senior Vice President and Assistant Secretary
Liberty Insurance Underwriters, Inc.
55 Water Street, 18th Floor
New York, NY 10041

Subject: Insurance Company Rate Filing LIU-RPG-AH-IL-09-OIR

Dear Mr. Hobbs,

The Illinois Department of Insurance (Department) recently published a company bulletin (CB 2011-05) to all companies writing Medical Professional Liability Insurance in Illinois. The purpose of this bulletin is to advise insurers of the Department's procedures and guidelines for implementing and administering the use of schedule rating plans for medical professional liability coverage in Illinois.

The schedule rating plan filed in the subject filing does not comply with this bulletin. A rate filing with an appropriate schedule rating plan should be filed with the Department as soon as possible. For more information regarding CB 2011-05, please visit <http://www.insurance.illinois.gov/cb/2011/cb2011-05.pdf>. I can be contacted at (217) 524-5420 or doi.medmal@illinois.gov, if you should have any questions.

Sincerely,

Caryn C. Carmean
Illinois Department of Insurance
Casualty Actuarial Section
217-524-5420



LIBERTY INSURANCE UNDERWRITERS, INC HEALTHCARE PROVIDERS PROFESSIONAL LIABILITY PROGRAM

ILLINOIS STATE EXCEPTION PAGES

Part 1 – General Rules

Section **G. Modification Schedule** of Part **IX. Factors or Multipliers** is deleted and replaced by the following:

Hazards vary with the organization and are impacted by factors such as loss prevention activities, professional liability claim experience, professional services rendered, etc. To recognize the factors peculiar to the insured's practice, the underwriter may apply a modification factor to the premium otherwise developed based on the overall evaluation of the risk.

Experience Factor:	+25% to -25%
Non-Renewed within Past 10 Years	
Claims Experience	
Licensing Board Experience	
Quality Management:	+25% to -25%
Loss Control/Risk Management Education	
Ethical or Moral Standing	
Number of years in business	
Multiple Medical Professions	
Location:	+25% to -25%
Nursing Home	
Hospital	
Free Standing Clinic	
Home Health Care	
Multiple Locations	
Area of Practice:	+25% to -25%
Direct Patient Care	
Cosmetic Procedures	
Supervision of Others	
Correctional Facilities	

State Modification Limits. The maximum available Schedule Rating credit/debits is 25%.



LIBERTY INSURANCE UNDERWRITERS, INC HEALTHCARE PROVIDERS PROFESSIONAL LIABILITY PROGRAM

ILLINOIS STATE EXCEPTION PAGES

Part 1 – General Rules

The following is added to Part 1 – General Rules:

XI. QUARTERLY INSTALLMENT PAYMENT OPTION

Quarterly payment options are available for policies with premium greater than or equal to \$500 as described below.

- a) An initial payment of 40% of the estimated total premium is due at policy inception;
- b) The remaining premium will be spread equally among the second, third, and fourth installments, and due 3, 6, and 9 months from policy inception, respectively;
- c) No interest or installment charges will apply;
- d) Additional premium resulting from changes to the policy shall be spread equally over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to a policy will be billed immediately as a separate transaction.



March 17, 2011

To Whom It May Concern:

Perr&Knight, Inc. is hereby authorized to submit rate, rule, and form filings on behalf of Liberty Insurance Underwriters, Inc. This authorization includes providing additional information and responding to questions regarding the filings on our behalf as necessary. This authorization is deemed in be in effect until rescinded in writing.

Please direct all correspondences and inquiries related to this filing to Perr&Knight, Inc. at the following address:

State Filings Department
Perr&Knight, Inc.
881 Alma Real Drive, Suite 205
Pacific Palisades, CA 90272
Tel: (888) 201-5123
Fax: (310) 230-1061

Please contact me at 212.208-8868 if you have any questions regarding this authorization.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph Hobbs", is written over the word "Sincerely,".

Joseph Hobbs
Senior Vice President and Assistant Secretary
55 Water Street, 18th Floor
New York, NY 10041
212.208-8868
Joseph.hobbs@libertyiu.com

Neuman, Gayle

From: Laura Jennette [ljennette@perrknight.com]
Sent: Thursday, July 21, 2011 3:37 PM
To: Neuman, Gayle
Subject: RE: Liberty Insurance Underwriters, Inc. - Rate/Rule Filing #LIURPGAHIL1101R
Attachments: ILLINOIS CERTIFICATION FORM.pdf

Ms. Neuman,

Thank you for your email below and for granting the Company additional time to address your concerns. The Company would like to respond as follows:

Concern 1. 215 ILCS 5/155.18 states it shall be certified in this filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience. This information is required in every rate/rule filing for medical malpractice.

Response: Please find the attached signed form.

Concern 2. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?

Response: The Company confirms that ISO is the statistical agent.

Concern 3. The filing indicated the rate did not increase or decrease. The filing is submitted to limit the schedule rating plan. Please again confirm that there is not a rate increase or decrease which would require the filing of the RF-3 Summary Sheet. How many insureds have received schedule rating adjustments in the past year?

Response: In reviewing policies written through year end 2010, the Company confirms that no policyholders will be impacted by these changes.

Please let us know if you have any additional comments or concerns related to this filing.

Sincerely,
Laura Jennette
(201)963-1550 Ext. 2123

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Friday, July 01, 2011 11:38 AM
To: Laura Jennette
Subject: Liberty Insurance Underwriters, Inc. - Rate/Rule Filing #LIURPGAHIL1101R

Ms. Jennette,

I am in receipt of the above referenced filing. Please address the following issues:

1. 215 ILCS 5/155.18 states it shall be certified in this filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience. This information is required in every rate/rule filing for medical malpractice.

2. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?

3. The filing indicated the rate did not increase or decrease. The filing is submitted to limit the schedule rating plan. Please again confirm that there is not a rate increase or decrease which would require the filing of the RF-3 Summary Sheet. How many insureds have received schedule rating adjustments in the past year?

I request receipt of your response by July 15, 2011.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

THIS MESSAGE IS INTENDED FOR THE SOLE USE OF THE ADDRESSEE AND MAY BE CONFIDENTIAL, PRIVILEGED AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAWS. IF YOU RECEIVE THIS MESSAGE IN ERROR, PLEASE DESTROY IT AND NOTIFY US BY SENDING AN E-MAIL TO: GAYLE.NEUMAN@ILLINOIS.GOV.

Neuman, Gayle

From: Neuman, Gayle
Sent: Friday, July 15, 2011 9:12 AM
To: 'Laura Jennette'
Subject: RE: Liberty Insurance Underwriters, Inc. - Rate/Rule Filing #LIURPGAHIL1101R

Ms. Jennette,

That is fine – I will extend the due date to July 29, 2011.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Laura Jennette [<mailto:ljennette@perrknight.com>]
Sent: Friday, July 15, 2011 9:12 AM
To: Neuman, Gayle
Subject: RE: Liberty Insurance Underwriters, Inc. - Rate/Rule Filing #LIURPGAHIL1101R

Ms. Neuman,

Good morning. At this time, the Company would like to respectfully request a two-week extension in order to address your concerns appropriately. Please advise if this request is acceptable.

Sincerely,
Laura Jennette
(201)963-1550 Ext. 2123

From: Neuman, Gayle [<mailto:Gayle.Neuman@illinois.gov>]
Sent: Friday, July 01, 2011 11:38 AM
To: Laura Jennette
Subject: Liberty Insurance Underwriters, Inc. - Rate/Rule Filing #LIURPGAHIL1101R

Ms. Jennette,

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2. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?
3. The filing indicated the rate did not increase or decrease. The filing is submitted to limit the schedule rating plan. Please again confirm that there is not a rate increase or decrease which would require the filing of the RF-3 Summary Sheet. How many insureds have received schedule rating adjustments in the past year?

I request receipt of your response by July 15, 2011.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

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Neuman, Gayle

From: Laura Jennette [ljennette@perrknight.com]
Sent: Friday, July 01, 2011 11:15 AM
To: Neuman, Gayle
Subject: RE: Liberty Insurance Underwriters, Inc. - Rate/Rule Filing #LIURPGAHIL1101R

Ms. Neuman,

Thank you for your email. Your comments and questions have been forwarded to the Company. We will forward their response to you as soon as we receive it.

Have a great holiday weekend.

Sincerely,
Laura Jennette
(201)963-1550 Ext. 2123

From: Neuman, Gayle [<mailto:Gayle.Neuman@illinois.gov>]
Sent: Friday, July 01, 2011 11:38 AM
To: Laura Jennette
Subject: Liberty Insurance Underwriters, Inc. - Rate/Rule Filing #LIURPGAHIL1101R

Ms. Jennette,

I am in receipt of the above referenced filing. Please address the following issues:

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2. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?
3. The filing indicated the rate did not increase or decrease. The filing is submitted to limit the schedule rating plan. Please again confirm that there is not a rate increase or decrease which would require the filing of the RF-3 Summary Sheet. How many insureds have received schedule rating adjustments in the past year?

I request receipt of your response by July 15, 2011.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

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LIBERTY INSURANCE UNDERWRITERS, INC **HEALTHCARE PROVIDERS PROFESSIONAL LIABILITY PROGRAM**

COUNTRYWIDE RATES/RULES MANUAL

Part 1 – General Rules

Number of Professionals	Credit
1 – 2	0.00%
3 – 5	4.00%
6 – 10	6.00%
11 – 15	8.00%
16+	10.00%

For Other than Physical Therapist and Mental Health Specialists

A size of group credit will be provided for practices which insure more than one professional under one policy ("groups"). This premium credit will be based upon the number of professionals insured under such "group" as follows:

Number of Professionals	Credit
2–9	4.00%
10–14	8.00%
15+	12.00%

G. Modification Schedule

Other risk modifications may be applied to the rate subject, however, to a maximum credit or debit as set forth in the State Modification Limits table. Premium eligibility is as follows: \$2,500 in NY, \$1,000 in WA, \$1,000 in FL before and after the application of schedule rating modifiers, and \$6,000 (after modification) in LA. This is not applicable for all other states.

Hazards vary with the organization and are impacted by factors such as loss prevention activities, professional liability claim experience, professional services rendered, etc. To recognize the factors peculiar to the insured's practice, the underwriter may apply a modification factor to the premium otherwise developed based on the overall evaluation of the risk.

Experience Factor:	+50% to -50%
Non-Renewed within Past 10 Years	
Claims Experience	
Licensing Board Experience	
Quality Management:	+50% to -50%
Loss Control/Risk Management Education	
Ethical or Moral Standing	
Number of years in business	
Multiple Medical Professions	

as submitted in previous filing



LIBERTY INSURANCE UNDERWRITERS, INC **HEALTHCARE PROVIDERS PROFESSIONAL LIABILITY PROGRAM**

COUNTRYWIDE RATES/RULES MANUAL

Part 1 – General Rules

Location:	+50% to -50%
Nursing Home	
Hospital	
Free Standing Clinic	
Home Health Care	
Multiple Locations	
Area of Practice:	+50% to -50%
Direct Patient Care	
Cosmetic Procedures	
Supervision of Others	
Correctional Facilities	

State Modification Limits. The table below shows the maximum available Schedule Rating credit/debits % for insureds located in those states.

-15/15	-25/25			-40/25	-40/40		-50/+40	-50/50	NA ¹
NY ²	AL	IA	NM	SC	AK	NH	GA	IL	HI
	AZ	ID	OH		MD	OK		IN	NE
	AR	KS	OR		ME	PA		KY	
	CA	LA ²	PR		MN	RI		NC	
	CO	MA	SD		MS	TX		NV	
	CT	MI	UT		MT			TN	
	DC	MO	VT					VA	
	DE	ND	WA					WI	
	FL	NJ	WV					WY	

¹ NA = Schedule Rating is not available

² Characteristics capped at +/-10%.

Neuman, Gayle

From: Hobbs, Joseph (New York-LIU) [Joseph.Hobbs@LibertyIU.Com]
Sent: Wednesday, November 02, 2011 2:21 PM
To: Neuman, Gayle
Subject: RE: Liberty Insurance Underwriters - Filing #LIURPGAHIL1101R

Thanks for your time today Gayle. Correct – this will confirm an effective date of July 31, 2011 for Filing #LIURPGAHIL1101R.

Joe

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Friday, October 28, 2011 9:34 AM
To: Hobbs, Joseph (New York-LIU)
Subject: FW: Liberty Insurance Underwriters - Filing #LIURPGAHIL1101R

Sorry. I meant July 31, 2011.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Neuman, Gayle
Sent: Friday, October 28, 2011 8:29 AM
To: 'Hobbs, Joseph (New York-LIU)'
Subject: RE: Liberty Insurance Underwriters - Filing #LIURPGAHIL1101R

I believe you meant July 30, 2011 – not 2010. Please advise.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Hobbs, Joseph (New York-LIU) [mailto:Joseph.Hobbs@LibertyIU.Com]
Sent: Tuesday, October 25, 2011 7:56 AM
To: Neuman, Gayle
Subject: Re: Liberty Insurance Underwriters - Filing #LIURPGAHIL1101R

Thanks Gayle. I will advise the LIU underwriting manager as well as Perr & Knight. Joe

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, October 25, 2011 08:48 AM
To: Hobbs, Joseph (New York-LIU)
Subject: RE: Liberty Insurance Underwriters - Filing #LIURPGAHIL1101R

That is fine. That should be the effective date.

Gayle Neuman

Illinois Department of Insurance

(217)524-6497

From: Hobbs, Joseph (New York-LIU) [mailto:Joseph.Hobbs@LibertyIU.Com]
Sent: Monday, October 24, 2011 4:03 PM
To: Neuman, Gayle
Subject: RE: Liberty Insurance Underwriters - Filing #LIURPGAHIL1101R

Gayle,

I left you a voice message as well. I think we've made some progress internally to understand some of prior filing issues so I do not want to make a mis-step here but I think the effective date should be July 31, 2010 because thereafter the rates were used. Please let me know if this is acceptable to you.

Thank you, Joe.

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Monday, October 24, 2011 2:05 PM
To: Hobbs, Joseph (New York-LIU)
Subject: RE: Liberty Insurance Underwriters - Filing #LIURPGAHIL1101R

That is fine. Thanks for your acknowledgement.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Hobbs, Joseph (New York-LIU) [mailto:Joseph.Hobbs@LibertyIU.Com]
Sent: Monday, October 24, 2011 12:14 PM
To: Neuman, Gayle
Subject: RE: Liberty Insurance Underwriters - Filing #LIURPGAHIL1101R

Thank you Gayle. As I mentioned on Friday, I am meeting with LIU's Chief Operating Officer Dan Vaughn today (at 3PM EST) to review the matter which was the subject of the inquiry of last week from you and Mr. Gatlin as well your related questions below. May I respond to you after my meeting with Mr. Vaughn today? Once again, thank you for your assistance and cooperation with respect to this filing.

Joe

Joseph M. Hobbs
Senior Vice President & Director of Compliance - US

Liberty International Underwriters
55 Water Street, 18th Floor
New York, NY 10041 USA

Tel. 212-208-8868
Fax. 212-635-5040

Email: Joseph.Hobbs@LibertyIU.com

This e-mail, and any attachments thereto, is intended solely for the use of the addressee(s) and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please notify me via return e-mail and via telephone at 212-208-8868 and permanently delete the original and any copy of this e-mail and any printout thereof.

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Monday, October 24, 2011 10:45 AM
To: Hobbs, Joseph (New York-LIU)
Subject: Liberty Insurance Underwriters - Filing #LIURPGAHIL1101R

Mr. Hobbs,

The Department of Insurance has now completed its review of the filing referenced above. Originally, Liberty Underwriters requested the filing be effective upon approval. Was the filing already put into effect? What date would you like the effective date to be?

Your prompt response is appreciated.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

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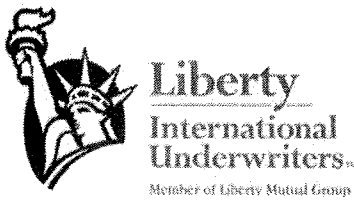
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**FILED**

JUL 31 2011

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS**LIBERTY INSURANCE UNDERWRITERS, INC.**
HEALTHCARE PROVIDERS PROFESSIONAL LIABILITY PROGRAM**ILLINOIS STATE EXCEPTION PAGES****Part 1 – General Rules**

Section G. **Modification Schedule** of Part IX. **Factors or Multipliers** is deleted and replaced by the following:

Hazards vary with the organization and are impacted by factors such as loss prevention activities, professional liability claim experience, professional services rendered, etc. To recognize the factors peculiar to the insured's practice, the underwriter may apply a modification factor to the premium otherwise developed based on the overall evaluation of the risk.

Experience Factor:	+25% to -25%
Non-Renewed within Past 10 Years	up to -25%
Licensing Board Action	up to +15%
Claims free within the last five years	up to -10%
More than \$30,000 in claims in the last five years	up to +25%

Quality Management:	+25% to -25%
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Loss Control/Risk Management Education:

Attendance at, or failure to attend a risk management specific seminar or a continuing education course related to loss control/risk management, subject to Company approval, which is not the subject of a predetermined credit as outlined in the General Rules.

The Business or firm maintains or fails to maintain an approved loss prevention program, seminar or workshop for its employees

Ethical or Moral Standing
Number of years in business
Multiple Medical Professions

Location:	+25% to -25%
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Nursing Home
Hospital
Free Standing Clinic
Home Health Care
Multiple Locations

Area of Practice:	+25% to -25%
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Direct Patient Care

**FILED**

JUL 31 2011

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS**LIBERTY INSURANCE UNDERWRITERS, INC**
HEALTHCARE PROVIDERS PROFESSIONAL LIABILITY PROGRAM**ILLINOIS STATE EXCEPTION PAGES****Part 1 – General Rules**

Cosmetic Procedures
Supervision of Others
Correctional Facilities

State Modification Limits. The maximum available Schedule Rating credit/debits is 25%.

The following is added to Part 1 – General Rules:

XI. QUARTERLY INSTALLMENT PAYMENT OPTION

Quarterly payment options are available for policies with premium greater than or equal to \$500 as described below.

- a) An initial payment of 40% of the estimated total premium is due at policy inception;
- b) The remaining premium will be spread equally among the second, third, and fourth installments, and due 3, 6, and 9 months from policy inception, respectively;
- c) No interest or installment charges will apply;
- d) Additional premium resulting from changes to the policy shall be spread equally over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to a policy will be billed immediately as a separate transaction.